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The Truth About the Assembly Republican Transportation Plan: It Needs More Reagan

Californians understand that a stable funding source is necessary to keep roadways and bridges in reliable, safe and good condition. As Ronald Reagan said when he signed the federal gas tax increase in 1983, “The cost to the average motorist will be small, but the benefit to our transportation system will be immense.” Unfortunately, Assembly Republicans instead propose to kick the can down a potholed road, and send the General Fund back into deficit. Transportation needs a permanent and stable funding plan—not more budget gimmicks and borrowing—to avoid the volatility of the past two decades.

The Assembly Republican plan would cost the General Fund at least \$2 billion per year. It would require the General Fund, instead of vehicle weight fees, to pay debt service on bonds that funded hundreds of transportation projects throughout California, even though Republicans and Democrats supported the use of weight fees for that purpose. These are the same weight fees that were supported by 69 Assemblymembers and 39 Senators from both parties that pay for the improvements along State Route 99 in the Central Valley, the new Gerald Desmond Bridge in Los Angeles, and the hundreds of other transportation projects state bonds are financing throughout California. They were right then and it’s the right policy now to fund transportation with user fees, not the General Fund. As Ronald Reagan reminded Americans in 1983, “When we first built our highways, we paid for them with a gas tax, a highway user fee that charged those of us who benefited most from the system. It was a fair concept then and it is today.”

When it comes to Cap and Trade, the Republicans opposed the program, but now want to use it for road repairs. They ignore the fact that Cap and Trade already provides more than \$1 billion per year for transportation. Moreover, the law requires that investments result in quantifiable greenhouse gas emission reductions. That’s why the program has expanded public transit, clean vehicle technology, the development of clean and fast high-speed rail, and responsible growth policies to encourage housing Californians near transit and job centers. If Republicans really want to engage where Cap and Trade dollars go, they should start by supporting the program.

For any deal to get done—particularly something as important as safe and smooth roads—both sides have to listen and engage. Republicans already asked for measures to increase oversight, accountability and reform of our transportation system and this Administration listened and supported all of the following reforms:

- Strict transportation accountability and performance measures for the next decade that show exactly what transportation improvements will be achieved with new investment.
- Increased staffing flexibility at Caltrans to ensure new workload can be met with the right combination of state and contract staff to quickly deliver projects.
- CEQA streamlining for transportation projects that repair and rehabilitate the state's aging transportation assets, earlier mitigation of transportation project impacts to reduce back-end project challenges, and the continuation of California's authority to conduct federal and state environmental review simultaneously to expedite project delivery.
- Expanded authority to use innovative procurement methods, like public-private partnerships, to deliver transportation projects in California.
- Protecting new transportation revenue for transportation purposes.

These reforms can help deliver transportation projects more efficiently in California. But alone, they do not provide the necessary funding to deliver the transportation system Californians deserve. Only new, stable and sustainable user fees dedicated to transportation will do that.

Again, as President Reagan said, "Our highways were built largely with such a user fee. I think it makes sense to follow that principle in restoring them to the condition we all want them to be in." Assembly Republicans should heed this sound advice rather than turning their back on California's transportation system, and all the jobs and economic activity that depend on it.

The California State Transportation Agency is responsible for transportation-related departments within the state: Board of Pilot Commissioners, California Highway Patrol, California Transportation Commission, Department of Transportation, Department of Motor Vehicles, High-Speed Rail Authority, New Motor Vehicle Board and Office of Traffic Safety. For more information, visit www.calsta.ca.gov.

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